



October 27, 2016

**VIA ELECTRONIC FILING**

Jocelyn Boyd, Chief Clerk/Administrator  
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**RE: Duke Energy Carolinas, LLC - Proposed Modifications to Nonresidential Smart Saver® Energy Efficient Products and Assessment Program  
Docket No. 2013-298-E**

Dear Ms. Boyd:

In accordance with the Commission Order No. 2013-889 issued December 20, 2013, in Docket No. 2013-298-E, Duke Energy Carolinas, LLC, (“Company” or “DEC”) hereby submits for approval its proposed modified tariff to Nonresidential Smart Saver® Energy Efficient Products and Assessment Program (“Program”). The proposed tariff is attached as Attachment A.

The Program encourages the installation of new energy efficient equipment in new or existing nonresidential facilities in order to reduce energy usage. The Company’s proposed modifications are as follows:

1. Change certain references from “Duke Energy Carolinas” to “Company”;
2. Expand Program eligibility to allow retail customers who receive transmission-based service to participate in the Program;
3. Allow the Company to provide a limited quantity of low-cost energy efficient equipment directly to eligible nonresidential customer accounts, at no out-of-pocket cost to the customer, in conjunction with Smart Saver® or in combination with other approved Company energy efficiency (“EE”) and demand-side management (“DSM”) programs;
4. Insert a section clarifying that the Company is entitled to the environmental, EE, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program; and
5. The addition of an expedited review option for customers whose projects involve custom measures.

Item 1 is intended to facilitate further consistency between DEC and Duke Energy Progress, LLC's ("DEP") program tariffs.

Item 2 ensures that customers served from DEC's retail transmission system are treated no differently than customers served from DEC's retail distribution system, with respect to Program eligibility.

Item 3 is designed to give DEC the ability to provide a limited quantity of low-cost EE measures directly to eligible non-residential customers, at little or no cost to the customer. This provision provides an avenue by which to maximize customer interactions and allows for partnering with other programs. For example, when the Residential Multi-Family Program installation team is installing measures in residential units, the installation team may have the option to install the same measures in the commercial and industrial ("C&I") areas of the property. Past evaluation, measurement, and verification (EM&V) reports have identified that property managers would like to have the same measures installed in the C&I areas of their properties, and we expect that this type of offer would be received well by customers. Under this example, the costs and benefits of the measures installed in the residential units would be allocated to the Residential Multi-Family Program, whereas the costs and benefits of the measures installed in C&I areas would be allocated to Smart Saver<sup>®</sup>. Because the costs would be shared proportionally between the two programs, this model is expected to have low additional administrative costs. Under the proposed modification, if such measures are cost effective, they would be offered at no cost in C&I areas and be consistent with the residential offer. Additionally, more in-depth EE projects may also be identified by the installation team, for future follow up by the Smart Saver<sup>®</sup> Program team. This type of model allows the Company to dig deeper into potential EE opportunities. Upon approval, the Program team will assess options for such partnerships and present plans to the DEC DSM/EE Collaborative.

Item 4 is designed to provide consistency with the similar clarifications contained in DEP's current program tariffs. DEP's related provisions were originally approved by the Commission in its Order No. 2012-18, issued on January 17, 2012 in Docket No. 2009-190-E.

Item 5 provides customers with the opportunity to obtain a quick determination of the custom incentive available when evaluating a project to reduce energy consumption. The fee for this option will be posted on the Duke Energy website. This amount will offset the comparable charge assessed to the Company by the vendor for this service. The vendor will provide this service with additional resources, and as a result, non-expedited applications will not be impacted.

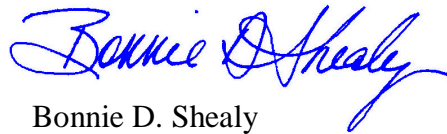
Enclosed and identified as Attachment A is DEC's proposed tariff. In addition, Attachment B provides a black-lined version of this tariff detailing DEC's proposed modifications. DEC respectfully requests that the Commission approve the Nonresidential Smart Saver<sup>®</sup> Energy Efficient Products and Assessment Program tariff, as modified, before January 1, 2017.

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The Commission's prompt attention to this matter is appreciated.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

/tch

Enclosures

cc w/enc:     Parties of Record (via email)  
                 Shannon B. Hudson (via email)  
                 Heather S. Smith, Deputy General Counsel (via email)  
                 Brian J. McAnaney (via email)